

AMENDED IN ASSEMBLY JUNE 2, 2003

AMENDED IN ASSEMBLY APRIL 29, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1253

Introduced by Assembly Member Bermudez

February 21, 2003

An act to add and repeal Section 20901.2 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1253, as amended, Bermudez. Public employees' retirement: CSU employees.

The Public Employees' Retirement Law authorizes the Governor, in certain circumstances, to issue an executive order granting specified state employees an additional 2 years of service credit, for purposes of calculating retirement benefits, if those employees retire within the period designated in the executive order and if other conditions are met. Upon retirement, those employees receive service credit for unused sick leave, as specified.

This bill would grant specified employees of the California State University credit for an additional 2 years of service and for unused vacation or annual leave, as specified, if those employees ~~retired~~ retire within a period, to be designated by the Director of Finance, during the 2003–04 fiscal year and if other conditions are met.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 20901.2 is added to the Government Code, to read:

20901.2. (a) (1) Notwithstanding any other provisions of this part, an additional two years of service shall be credited to state miscellaneous members employed by the California State University, if the following conditions exist:

~~(1)~~

(A) The member meets the service requirements of Section 21060 or 21074.

~~(2)~~

(B) The member retires for service during the period designated by the Director of Finance, which period shall commence on a date after the effective date of this section and shall expire on a date prior to July 1, 2004. The Director of Finance shall make that designation within 15 days after the effective date of this section.

(2) *The appointing power, as defined in Section 18524, shall offer this option to all state miscellaneous members employed by the California State University.*

(b) In addition to the additional service credited pursuant to subdivision (a) and notwithstanding any other provision of law, a member who retires pursuant to this section shall be credited at his or her retirement with 0.004 year of service credit for each unused day of vacation or annual leave certified to the board by the Trustees of the California State University. The certification shall report only those days of unused vacation or annual leave that were accrued by the member during the normal course of his or her employment. Reports of unused days of vacation or annual leave are subject to audit and retirement benefits may be adjusted if improper reporting is found. Until receipt of the certification from the trustees, the board may pay an estimated allowance pursuant to this section. At the time the certification is received, the member's retirement allowance shall be adjusted to reflect any necessary changes.

(c) In addition to any and all other contributions to the retirement fund, the Trustees of the California State University shall transmit to the retirement fund an amount determined by the board that is equal to the actuarial equivalent of the difference

1 between the allowance a member described in subdivision (a)
2 receives after the receipt of service credit under this section and the
3 amount the member would have received without that service
4 credit. The transfer to the retirement fund shall be made in a
5 manner and time period acceptable to the trustees and the board.
6 The trustees shall make the payment with respect to all eligible
7 employees who retire pursuant to this section.

8 (d) The amount of service credit acquired under this section
9 may not exceed the number of years intervening between the date
10 of the member's retirement and the date the member would be
11 required to be retired because of age.

12 (e) Any member who qualifies under this section, upon
13 subsequent reentry to this system shall forfeit the service credit
14 acquired under this section.

15 (f) This section is not applicable to any member otherwise
16 eligible if the member receives any unemployment insurance
17 payments arising out of employment with an employer subject to
18 this part during a period extending one year beyond the date of
19 issuance of the executive order or if the member is not eligible to
20 retire without the additional credit available under this section.

21 (g) The Trustees of the California State University, in order to
22 achieve economies following the retirement of miscellaneous
23 members pursuant to this section, may eliminate positions within
24 the California State University, as determined by the trustees. The
25 positions eliminated need not include the specific positions
26 vacated by the members upon their retirement under this section.

27 (h) This section shall become inoperative on July 1, 2004, and,
28 as of January 1, 2005, is repealed, unless a later enacted statute that
29 is enacted before January 1, 2005, deletes or extends the dates on
30 which it becomes inoperative and is repealed.

